

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, AUGUST 28, 2007**, upon the application of **BEUSA ENERGY, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Cotton Valley Formation, Reservoir A, and the Hosston Formation, Reservoir B**, in the North Grand Cane Field, DeSoto Parish, Louisiana.

1. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such units being shown on the plat submitted with the application.
2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir B, such units being shown on the plat submitted with the application.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
5. To permit Applicant to combine downhole production from the Cotton Valley Formation, Reservoir A, with production from the Hosston Formation, Reservoir B, in any well drilled on the proposed additional units in which the ownership interests in the units is identical.
6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 855-D, effective February 13, 2007, to the proposed additional units for the Cotton Valley Formation, Reservoir A.
7. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 855-C-1, effective February 13, 2007, to the proposed additional units for the Hosston Formation, Reservoir B.
8. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A, was defined in Office of Conservation Order No. 855-D, effective February 13, 2007.

The Hosston Formation, Reservoir B, was defined in Office of Conservation Order No. 855-C-1, effective February 13, 2007.

Plats are available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

7/20/07;7/25/07

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.